



KBR

KUK
Construction
LLC



Department of State OBO Industry Day Teaming Arrangements October 13, 2004



KBR PROPRIETARY

KBR

Agenda



- Definitions
- Why a Joint Venture?
- Developing Mentor Protégé Relationship
- SBA & Joint Venture Agreements
- Kuk/BRS Global Joint Venture

Definitions



- A Teaming Arrangement (TA) is really just a glorified subcontractor relationship. The contract would be awarded in the name of the team leader.
- A Joint Venture (JV) can be an informal arrangement or it can be in the form of a new legal entity, such as an LLC.



Why a Joint Venture?

- Respond to the Market
 - USG Set-Aside Programs
- Strategic Linkage
 - Niche Expertise Access to Specific Market
- Access to Larger Contracts
 - Acquisition Performance Rating
 - Revenue/Profit
 - Working Capital
 - Experience => Workforce, Products, Methods
 - Business Relationships
 - Future Work
- Balance Performance, Cost and SB Objectives

Developing Mentor Protégé Relationship



- Understand the Advantages
- 8(a) Certification
- Strategic Objectives
- Outreach – Find Mentor Matching Objectives
- SBA Mentor Protégé Process
- Agency Small Business Advocate
- Capabilities Presentations
- Security Clearance
- Teaming Arrangement
- Joint Venture Agreement
- Bid, Win, Execute Work



The SBA and Joint Ventures



- Combined Partner Receipts Determines JV Size
Except:
 - Mentor Protégé Relationship
- Avoid Ostensible Contracting
- Legal Entity
- Fair and Equitable
- Substantial Benefit to the 8(a) Participant
- 8(a) Brings Resources or Expertise to the JV
- 8(a) Managing or Lead Venturer
- 8(a) Employee the Project Manager



The SBA & JVs (Cont.)



- Work with servicing SBA District Office
 - Must Approve JV for 8(a) Procurements
- Approval Required Prior to 8(a) Contract Award
 - 20 Plus Working Days
- Large Business Protégé Mentoring Plan
- Full Documentation
 - Purpose
 - JV Agreement
 - Financials & Tax Returns (3 years)
 - Request Letter
 - Project Description
 - Financial Projections, etc.

How Do I Find One??



- FedBizOpps – Single Point of Contact
 - <http://www.fedbizopps.com>
- Small Business Administration's SBU-NET
 - <http://web.sba.gov/subnet/>
- Business Matchmaking
 - Conferences Like This One
- Agency Office of Small & Disadvantaged Business Utilization
 - <http://www.state.gov/m/a/sdbu>
- Corporate Diversity Programs
 - <http://www.diversityinforesources.com>

Kuk/BRS Global JV



- Failure Causes Loss of Small Business Status
- JV Must Pass Seven Factors Test
- Kuk Provides the JV:
 - Contracts Management
 - Project General Manager
 - Accounting and Finance Functions
 - Administrative Support
- Just Entered Year Three of Five
 - OBO Exercising 80% of IDIQ Capacity



Questions?

